

Form 1065

U.S. Return of Partnership Income

OMB No. 1545-0099

Department of the Treasury
Internal Revenue Service

For calendar year 2010, or tax year beginning 2010, ending 20

► See separate instructions.

2010

A Principal busn. activity RENTAL	Name of partnership DHC REALTY LLC	D Employer ID number 20-0119951
B Principal product/service COMMERCIAL	Number, street, and room or suite no. If a P.O. box, see the instructions. 301 WILLIAMS ST	E Date business started 07-18-2003
C Business code number 531120	City or town, state, and ZIP code El Paso TX 79901	F Total assets (see instructions) \$ 5,676,741

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
(6) Technical termination — also check (1) or (2)

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ►

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ► 2

J Check if Schedules C and M-3 are attached

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a	0
	b Less returns and allowances	1b	
	2 Cost of goods sold (Schedule A, line 8)	2	
	3 Gross profit. Subtract line 2 from line 1c	3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6	
	7 Other income (loss) (attach statement)	#1	
8 Total income (loss). Combine lines 3 through 7	8		
Deductions (see the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)	9	
	10 Guaranteed payments to partners	10	
	11 Repairs and maintenance	11	
	12 Bad debts	12	
	13 Rent	13	
	14 Taxes and licenses	14	
	15 Interest	15	
	16a Depreciation (if required, attach Form 4562)	16a	205,619
	b Less depreciation reported on Schedule A and elsewhere on return	16b	205,619
	17 Depletion (Do not deduct oil and gas depletion.)	16c	
	18 Retirement plans, etc	17	
	19 Employee benefit programs	18	
	20 Other deductions (attach statement)	#2	29,708
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21	29,708	
22 Ordinary business income (loss). Subtract line 21 from line 8	22	22,705	

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.		
	May the IRS discuss this return with the preparer shown below (see inst.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

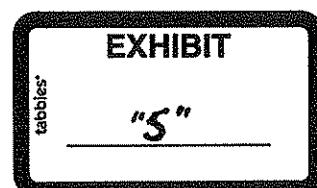
Signature of general partner or limited liability company member manager		Date
Paid Preparer Use Only	Print/Type preparer's name Roberto G Torres CP	Preparer's signature
	Date	
	Check <input type="checkbox"/> if self-employed	PTIN P00296980
	Firm's name ► Roberto G Torres & Company	
	Firm's EIN ► 33-1036600	
	Firm's address ► 121 Paragon	
	Phone no. (915) 584-5059	
	El Paso TX 79912	

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2010)

JVA 10 106512 TWF 38887

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Schedule A Cost of Goods Sold (see the instructions)

1	Inventory at beginning of year	1	
2	Purchases less cost of items withdrawn for personal use	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9a Check all methods used for valuing closing inventory:

(i) Cost as described in Regulations section 1.471-3
 (ii) Lower of cost or market as described in Regulations section 1.471-4
 (iii) Other (specify method used and attach explanation) ►

b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ►
 c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ►
 d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? Yes No
 e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No

If "Yes," attach explanation.

Schedule B Other Information

1	What type of entity is filing this return? Check the applicable box:	Yes	No
a	<input checked="" type="checkbox"/> Domestic general partnership	<input type="checkbox"/> Domestic limited partnership	
c	<input type="checkbox"/> Domestic limited liability company	<input type="checkbox"/> Domestic limited liability partnership	
e	<input type="checkbox"/> Foreign partnership	<input type="checkbox"/> Other ►	
2	At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?	X	
3	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership		X
b	Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership	X	
4	At the end of the tax year, did the partnership:		
a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b	Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below	<input type="checkbox"/>	<input type="checkbox"/>
		X	

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

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	Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details		X
6 Does the partnership satisfy all four of the following conditions?		
a The partnership's total receipts for the tax year were less than \$250,000.		
b The partnership's total assets at the end of the tax year were less than \$1 million.		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
d The partnership is not filing and is not required to file Schedule M-3		X
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.		
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
10 At any time during calendar year 2010, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country. ►		X
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election?		X
See instructions for details regarding a section 754 election.		
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than entities wholly-owned by the partnership throughout the tax year) ►		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ►		
16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ►		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ►		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP	HILEL CHOWAIKI	Identifying number of TMP
If the TMP is an entity, name of TMP representative		Phone number of TMP
Address of designated TMP	301 WILLIAMS ST El Paso TX 79901	

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Schedule K Partners' Distributive Share Items		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1 22,705
	2 Net rental real estate income (loss) (attach Form 8825)	2 -816
	3a Other gross rental income (loss)	3a
	b Expenses from other rental activities (attach statement)	3b
	c Other net rental income (loss). Subtract line 3b from line 3a	3c
	4 Guaranteed payments	4
	5 Interest income	5
	6 Dividends: a Ordinary dividends	6a
	b Qualified dividends	6b
	7 Royalties	7
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a	
b Collectibles (28%) gain (loss)	9b	
c Unrecaptured section 1250 gain (attach statement)	9c	
10 Net section 1231 gain (loss) (attach Form 4797)	10	
11 Other income (loss) (see instructions) Type ►	11	
12 Section 179 deduction (attach Form 4562)	12	
13a Contributions	13a	
b Investment interest expense	13b	
c Section 59(e)(2) expenditures: (1) Type ► _____ (2) Amount ►	13c(2)	
d Other deductions (see instructions) Type ►	13d	
14a Net earnings (loss) from self-employment	14a	
b Gross farming or fishing income	14b	
c Gross nonfarm income	14c	
15a Low-income housing credit (section 42(j)(5))	15a	
b Low-income housing credit (other)	15b	
c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c	
d Other rental real estate credits (see instructions) Type ►	15d	
e Other rental credits (see instructions) Type ►	15e	
f Other credits (see instructions) Type ►	15f	
16a Name of country or U.S. possession ►		
b Gross income from all sources	16b	
c Gross income sourced at partner level	16c	
Foreign gross income sourced at partnership level		
d Passive category ► _____ e General category ► _____ f Other ►	16f	
Deductions allocated and apportioned at partner level		
g Interest expense ► _____ h Other	16h	
Deductions allocated and apportioned at partnership level to foreign source income		
i Passive category ► _____ j General category ► _____ k Other ►	16k	
l Total foreign taxes (check one): ► Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
m Reduction in taxes available for credit (attach statement)	16m	
n Other foreign tax information (attach statement)		
17a Post-1986 depreciation adjustment	17a -52,332	
b Adjusted gain or loss	17b	
c Depletion (other than oil and gas)	17c	
d Oil, gas, and geothermal properties -- gross income	17d	
e Oil, gas, and geothermal properties -- deductions	17e	
f Other AMT items (attach statement)	17f	
18a Tax-exempt interest income	18a	
b Other tax-exempt income	18b	
c Nondeductible expenses	#3	
19a Distributions of cash and marketable securities	18c 222	
b Distributions of other property	19a	
20a Investment income	19b	
b Investment expenses	20a	
c Other items and amounts (attach statement)	20b	

Analysis of Net Income (Loss)

1	Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l	1	21,889
2	Analysis by partner type:	(i) Corporate	(ii) Individual (active)
a	General partners		(iii) Individual (passive)
b	Limited partners		(iv) Partnership
			(v) Exempt organization
			(vi) Nominee/Other
			21,889

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
	Assets	(a)	(b)	(c)	(d)
1	Cash		4,120		809
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach statement)			#5	1,080,000
7	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets	4,243,966		4,243,966	
b	Less accumulated depreciation	1,420,743	2,823,223	1,626,362	2,617,604
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)		1,978,328		1,978,328
12a	Intangible assets (amortizable only)	68,708		68,708	
b	Less accumulated amortization	39,630	29,078	68,708	
13	Other assets (attach statement)		250,292		
14	Total assets		5,085,041		5,676,741
	Liabilities and Capital				
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				205,554
17	Other current liabilities (attach statement)			#6	
18	All nonrecourse loans				
19	Mortgages, notes, bonds payable in 1 year or more	4,637,553			4,246,798
20	Other liabilities (attach statement)	1,461,559		#7	2,216,165
21	Partners' capital accounts	-1,014,071			-991,776
22	Total liabilities and capital	5,085,041			5,676,741

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1	Net income (loss) per books	22,296	6	Income recorded on books this year not included on Sch. K, lines 1-11 (itemize):
2	Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a	Tax-exempt int. \$ _____
3	Guaranteed pymts. (other than health ins.)		7	Deductions included on Sch. K, lines 1 through 13d, and 16l, not charged against book inc. this year (itemize):
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a	Depreciation \$ _____
a	Depreciation \$ _____		629	#4
b	Travel and entertainment \$ _____			629
Nondeduct Exp	222	222	8	Add lines 6 and 7.....
5	Add lines 1 through 4.....	22,518	9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5
				21,889

Schedule M-2 Analysis of Partners' Capital Accounts

1	Balance at beginning of year	-1,014,072	6	Distributions: a Cash
2	Capital contributed: a Cash		b	Property.....
	b Property			
3	Net income (loss) per books	22,296		
4	Other increases (itemize): _____			
5	Add lines 1 through 4.....	-991,776	8	Add lines 6 and 7.....
			9	Balance at end of year. Subtract line 8 from line 5
				-991,776

**SCHEDULE B-1
(Form 1065)**

(December 2009)
Department of the Treasury
Internal Revenue Service

Information on Partners Owning 50% or More of the Partnership

OMB No. 1545-0099

► Attach to Form 1065. See instructions.

Name of partnership
DHC REALTY LLC

Employer identification number (EIN)
20-0119951

Part II Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
David Chowaiki	123-45-6789	US	50.0000
Hilel Chowaiki	123-45-6789	US	50.0000

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Schedule B-1 (Form 1065) (12-2009)

Form 4562

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2010

Attachment
Sequence No. 67

Department of the Treasury
Internal Revenue Service (99)

► See separate instructions.

► Attach to your tax return.

Name(s) shown on return
DHC REALTY LLC

Business or activity to which this form relates
FOR FORM 8825 #1

Identifying number
20-0119951

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000
6 (a) Description of property	(b) Cost (busn. use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	500,000
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A						
17 MACRS deductions for assets placed in service in tax years beginning before 2010	17	205,619				
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here			►			

Section B -- Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr. (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C -- Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	205,619
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.) **FOR FORM 1065**

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A -- Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support business/investment use claimed?					Yes	No	24b If "Yes," is the evidence written?	Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Busn./ investment use percentage	(d) Cost or other basis	(e) Basis for depr. (busn./investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)					25				
26 Property used more than 50% in a qualified business use:									
		%							
		%							
		%							
27 Property used 50% or less in a qualified business use:									
		%				S/L-			
		%				S/L-			
		%				S/L-			
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28									
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29									

Section B -- Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No										
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C -- Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?													Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners														
39 Do you treat all use of vehicles by employees as personal use?														
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?														
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)														

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins		(c) Amortizable amount		(d) Code section		(e) Amortization period or percentage		(f) Amortization for this year	
	42 Amortization of costs that begins during your 2010 tax year (see instructions):									
43 Amortization of costs that began before your 2010 tax year							43		29,708	
44 Total. Add amounts in column (f). See the instructions for where to report							44		29,708	

Form 8825

(Rev. December 2010)

Department of the Treasury
Internal Revenue Service

**Rental Real Estate Income and Expenses of a
Partnership or an S Corporation**

► See instructions.

► Attach to Form 1065, Form 1065-B, or Form 1120S.

OMB No. 1545-1186

Name

DHC REALTY LLC

Employer identification no.
20-0119951

1 Show the type and address of each property. For each rental estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.				
	Physical address of each property – street, city, state, ZIP code	Type – Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
A	7942 GATEWAY EAST El Paso TX 79915	C	365	0
B	5030 N DESERT BLVD El Paso TX 79912	C	365	0
C	1887 N ZARAGOZA, EL PASO, TX El Paso TX 79936	C	365	0
D				

	Properties			
	A	B	C	D
2 Gross rents	2 180,000	180,000	180,000	
3 Advertising	3			
4 Auto and travel	4			
5 Cleaning and maintenance	5			
6 Commissions	6			
7 Insurance	7			
8 Legal and other professional fees	8			
9 Interest	9 96,582	96,582	96,582	
10 Repairs	10 704	704	703	
11 Taxes	11 30	30	31	
12 Utilities	12			
13 Wages and salaries	13			
14 Depreciation (see instructions)	14 28,562	78,260	98,797	
15 Other (list) ►	15 14,417	14,417	14,415	
SEE ATTACHMENT				
16 Total expenses for each property. Add lines 3 through 15	16 140,295	189,993	210,528	
17 Income or (Loss) from each property. Subtract line 16 from line 2	17 39,705	-9,993	-30,528	
18a Total gross rents. Add gross rents from line 2, columns A through H	18a 540,000			
b Total expenses. Add total expenses from line 16, columns A through H	18b (540,816)			
19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19			
20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1)	20a			
b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:				
(1) Name	21	-816		
(2) Employer identification number				
21 Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on:				
• Form 1065 or 1120S: Schedule K, line 2, or				
• Form 1065-B: Part I, line 4				

For Paperwork Reduction Act Notice, see instructions.

2010 FORM 8825 -- OTHER EXPENSES ATTACHMENT

DHC REALTY LLC
20-0119951

Form 8825 1

Property A:

Management Fees	4836
Supplies	1709
Bank charges	7189
Lease	648
Licences	35
TOTAL TO PROPERTY A	14417

Property B:

Management Fees	4836
Supplies	1709
Bank charges	7189
Lease	648
Licences	35
TOTAL TO PROPERTY B	14417

Property C:

Management Fees	4835
Supplies	1706
Bank charges	7190
Lease	648
Licences	36
TOTAL TO PROPERTY C	14415

Property D:

2010 DETAIL STATEMENTS

DHC REALTY LLC
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STATEMENT #1 - Other Income (Loss) (1065 PG 1 LINE 7)

Other Income (Loss):	
Miscellaneous Incom.....	69
TOTAL Other Income (Loss).....	69
TOTAL CARRIED TO 1065 PG 1 LINE 7.....	69

STATEMENT #2 - Other Deductions (1065 PG 1 LINE 20)

Other Deductions:	
Amortization.....	29,708
TOTAL Other Deductions.....	29,708
TOTAL CARRIED TO 1065 PG 1 LINE 20.....	29,708

STATEMENT #3 - NONDEDUCTIBLE EXPENSES (1065 PG 4 LINE 18c)

Code C - Fines and Penalties	222
TOTAL CARRIED TO 1065 PG 4 LINE 18c.....	222

STATEMENT #4 - Inc not on Sch K - Other+ (1065 PG 5 M-1 LN 7b)

Amort.....	629
TOTAL CARRIED TO 1065 PG 5 M-1 LN 7b.....	629

STATEMENT #5 - End:Other Current Assets (1065 PG 5 SCH L LN 6)

	Beginning	Ending
Rent Receivable.....	0	1,080,000
TOTAL CARRIED TO 1065 PG 5 SCH L LN 6.....	0	1,080,000

STATEMENT #6 - End: Other Current Liabilities (1065 PG 5 SCHL LN 17)

	Beginning	Ending
ROUNDING		
BANK OVERDRAFT PER BOOKS		

TOTAL CARRIED TO 1065 PG 5 SCHL LN 17

STATEMENT #7 - End: Other Liabilities (1065 PG 5 SCHL LN 20)

	Beginning	Ending
Loans - Related parties.....	1,461,559	2,216,165
TOTAL CARRIED TO 1065 PG 5 SCHL LN 20.....	1,461,559	2,216,165

2010 DETAIL STATEMENTS

DHC REALTY LLC
20-0119951

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STATEMENT #8 - Other - Supplies (FORM 8825 PROP #1 LINE 15)

Supplies - Office.....	3
Supplies - vending.....	292
Supplies - other.....	1,414
 TOTAL CARRIED TO FORM 8825 PROP #1 LINE 15.....	1,709

STATEMENT #9 - Other - Supplies (FORM 8825 PROP #2 LINE 15)

Supplies - Office.....	3
Supplies - vending.....	292
Supplies - other.....	1,414
 TOTAL CARRIED TO FORM 8825 PROP #2 LINE 15.....	1,709

STATEMENT #10 - Other - Supplies (FORM 8825 PROP #3 LINE 15)

Supplies - Office.....	2
Supplies - vending.....	291
Supplies - other.....	1,413
 TOTAL CARRIED TO FORM 8825 PROP #3 LINE 15.....	1,706

2010 SELF-EMPLOYMENT WORKSHEET

DHC REALTY LLC
20-0119951

1a. Ordinary income (loss) (Schedule K, line 1)	1a. 22,705	
b. Net income (loss) from CERTAIN rental real estate activities (see instr)	b.	
c. Net income (loss) from other rental activities (Schedule K, line 3c)	c.	
d. Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	d.	
e. Combine lines 1a through 1d	e. 22,705	
2. Net gain from Form 4797, Part II, line 17, included on line 1a above	2.	
3a. Subtract line 2 from line 1e. If line 1e is a loss, increase the loss on line 1e by the amount on line 2	3a. 22,705	
b. Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	b. 22,705	
c. Subtract line 3b from line 3a. If line 3a is a loss, reduce the loss on line 3a by the amount on line 3b. Include each individual general partner's share on line 14a of Schedule K-1	c.	
4a. Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c) (see instructions)	4a.	
b. Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	b.	
c. Subtract line 4b from line 4a. Include each individual general partner's share and each individual limited partner's share on line 14a of Schedule K-1	c.	
5. Net earning (loss) from self-employment. Combine line 3c and 4c. Enter here and on Schedule K, line 14a	5.	

2010 PARTNERS CAPITAL ACCOUNT SUMMARY

DHC REALTY LLC 20-0119951

Partner Number	Profit Sharing Percentage	Capital at Beginning of Year	Capital Contributed	Partners' Share of Lines 3, 4 & 7, Sch M-2	Withdrawals & Distribution	Capital at End of Year
#1	50.00	-507,036	0	11,149	0	-495,887
#2	50.00	-507,036	0	11,147	0	-495,889
TOTALS	100.00	-1,014,072	0	22,296	0	-991,776